



Department of Energy

Chicago Operations Office
9800 South Cass Avenue
Argonne, Illinois 60439

Ames Laboratory

Executive Summary of

Solicitation No. DE-RP02-07CH11358

June 29, 2006

TO: Prospective Offerors

SUBJECT: REQUEST FOR PROPOSAL (RFP) NO. DE-RP02-07CH11358 FOR THE
SELECTION OF A MANAGEMENT AND OPERATING CONTRACTOR
FOR AMES LABORATORY

This letter is a summary of the salient elements of the acquisition, but is not an integral part of the attached RFP. Should there be any conflict between this Executive Summary Letter and the RFP, the data and information in the RFP shall prevail.

Ames Laboratory is a government-owned, contractor operated facility located on land leased from Iowa State University in Ames, Iowa. The facilities consist of approximately 300,000 gross square feet of administrative and laboratory space. The central mission of the Laboratory is to provide national scientific leadership and technological innovation to support DOE's objectives and programs.

Ames Laboratory serves DOE and supports the Office of Science Strategic Plan by conducting fundamental research in the physical, chemical, biological, materials, mathematical and engineering sciences which underlie energy generating, conversion, and transmission and storage technologies; environmental improvement; and other technical areas essential to SC and DOE missions. Ames Laboratory has a focus on materials research, with strengths in areas of chemistry and plant biology. Ames Laboratory operates the Materials Preparation Center (MPC) which provides capabilities in preparation, purification, fabrication and characterization of materials in support of R&D programs at government, academic and industry laboratories throughout the world. In furtherance of the Department's mission, Ames Laboratory educates and trains future generations of scientists and engineers to promote national science and education goals; and transfers knowledge and technological innovations and fosters productive relationships between Ames Laboratory research programs, universities, and industry to promote national competitiveness. Anticipated funding for Ames Laboratory in FY2007 is approximately \$30 million.



In order to further the Government's policy of maximizing electronic commerce and making the acquisition process optimally cost effective, electronic media will be the primary method of communication from the Government regarding this solicitation. The solicitation, solicitation amendments, responses to questions, and other official communications from the Government will be posted on IIPS. An information library regarding the solicitation is located at URL <http://rfpanl.sc.doe.gov>. Offerors are responsible for checking IIPS and the information library website frequently for information, notices, and updates regarding this solicitation.

The objective of the solicitation is to select the Contractor most capable of managing and operating the Ames Laboratory programs and facilities. A Source Evaluation Board (SEB) has been established to develop the RFP and to evaluate proposals submitted in response to the RFP. The SEB will conduct its activities in accordance with DOE's regulations and policies. Proposals will be evaluated in accordance with the specific methodology and evaluation criteria set forth in Part IV, Section M of the RFP.

Significant items of interest concerning this solicitation

Offerors are encouraged to pay particular attention to the following aspects of the RFP:

Contract Type. DOE will award a single, cost-plus performance-fee management and operating contract to the responsible Offeror whose proposal represents the best value to the Government. The Government intends to evaluate proposals and award a contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms from a technical and cost or price standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary (Refer to Section L, Provision L.15).

Award Term Incentive. The base term of the contract is five years. The proposed contract contains a non-monetary performance incentive which will allow the selected offeror to earn up to an additional fifteen years of contract term for exemplary performance. (Refer to Section F, Clause F.2).

Fee(s). DOE anticipates awarding performance fee under this contract. The total available fee pool for this contract for the five-year contract term shall not exceed \$4,175,000. Offerors must propose a maximum performance fee for each fiscal year set forth in Section B, Clause B.3(b) which does not exceed the maximum annual performance fee of \$ 835,000. See Section L., Provision L.9(c). No fee is payable for the contractor's performance of any Transition Activities. (Refer to Section B, Clause B.3, Section H, Clause H.30, and Section L, Provision L.9).

Employee Retention, Compensation and Benefits. Subject to the availability of funds, the selected Offeror shall offer employment to all transitioning employees in

"Continuous", and "Term" appointments, defined in Section L, Appendix 7, who are in good standing as of the date of contract award. Selected Offeror will not be required to offer employment to those employees permanently assigned to the positions reflected on the Ames Laboratory Organization Chart attached to Section L as Appendix 8. (Refer to Section H, Clause H.19 and Section L, Provision L.38).

The selected Offeror shall provide equivalent pay and comparable benefits to incumbent employees for at least the first year of the contract. All non-incumbent employees shall receive an overall benefit package that provides for market-based retirement and medical benefit plans that are competitive with the industry from which the selected Offeror recruits its employees. The Contractor shall become plan sponsor of pension and other post-retirement benefit plans (PRBs), as applicable, for those individuals who retired from employment at AMES with the predecessor contractor prior to January 1, 2007 (Refer to Section H, Clause H.19 and Section L, Provision L.38).

The selected Offeror will establish a separate, market-based, pension plan, distinct from a corporate pension plan, meeting the requirements of the Internal Revenue Code and the Employee Retirement Income Security Act of 1974, and that recognizes service credit earned at Ames Laboratory. (Refer to Section H, Clause H.19 and Section L, Provision L.38). Definitions of "incumbent employees" and "non-incumbent employees" are contained in Section H, Clause H.19 (b)(1) and (b)(2).

Bargaining Agreement. The selected Offeror will be expected to provide employment terms and conditions consistent with those provided under the current agreement until bargaining unit employees electing to organize have transitioned to a new collective bargaining agreement. (Refer to Section H, Clause H.30, Section L, Provision L.38 and Section L, Appendix 6).

Small Business Plan. Offerors are required to submit an acceptable Small Business Subcontracting Plan with their offer. For purposes of Offerors' development of the Small Business Subcontracting Plan, the information library includes a copy of the current contractor's Small Business Subcontracting Plan and small business accomplishments. The Small Business Subcontracting Plan shall be submitted as part of Volume I. (Refer to Section L, Provisions L.1(c) and L.12 and Section J, Attachment J.8).

Transition Plan. Offerors are required to provide a transition plan covering a phase-in period of a maximum of two months prior to assuming responsibility for the management and operations of Ames Laboratory. This plan should address specific steps necessary to assume full responsibility for management and operation of Ames Laboratory as of 12:01 A.M., October 1, 2006. (Refer to Section H, Clause H.30 and Section L, Provision L.6).

Transition Cost. Offerors are required to submit a cost estimate for all transition activities in the format described in Section L, Appendix 3. The transition period will be

on a cost-reimbursement (**no fee**) basis, subject to the cost principles of FAR 31 and DEAR Part 931, and limited to the amount specified in the Offeror's transition cost proposal. (Refer to Section B, Clause B.3; Section H, Clause H.30; and Section L, Provision L.9).

Pre-proposal Conference. A pre-proposal conference will be scheduled within 30 days of release of the RFP at Argonne National Laboratory. The specific date, time and location will be posted on the RFP information library in the near future. Offerors are encouraged to attend. (Refer to Section L, Provision L.41).

Site Tours. Prospective offerors interested in attending a site tour must register with the SEB's Executive Secretary, Lisa Rogers at lisa.rogers@ch.doe.gov by July 19, 2006. Based on the volume of requests received, the SEB will determine whether or not to hold a site tour. Additional information will be posted on the information library website and IIPS at a later date. (Refer to Section L, Provision L.42).

Proposal Due Date. Proposals, and any modifications or revisions, will be due approximately sixty (60) days after the release of the RFP, e.g., August 29, 2006, by 4:30 p.m., Central Standard Time. Proposals may be submitted in writing or electronically through IIPS. Instructions for submission of proposals are located in Section L. Late proposals, modifications, and withdrawals will be treated in accordance with Provision L.15 - FAR 52.215-1 – Instructions to Offerors – Competitive Acquisition (Jan 2004). (Refer to Section L, Provision L.14).

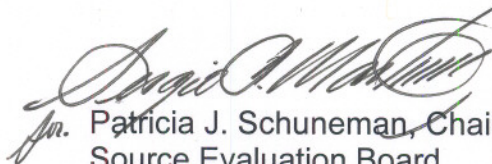
Oral Presentations. All Offerors are required to make oral presentations to the SEB approximately two weeks after submission of proposals; tentatively scheduled for the week of September 18, 2006. The SEB will schedule the oral presentations via lottery and will notify each Offeror, within five working days after the date for receipt of proposals, of the date and time of its oral presentation. The oral presentation will be held at a location in the vicinity of Argonne National Laboratory. The Government reserves the right to reschedule the oral presentation at its discretion, and the Government shall not consider requests to reschedule the oral presentation except in extenuating circumstances. Evaluation of proposals will be based on both the written information and the oral presentation (Refer to Section L, Provision L.10).

Evaluation Criteria. The draft RFP describes the criteria DOE intends to use in selecting a successful future contractor. The Capabilities and Approach Proposal will be point scored based on both the written material provided by the Offeror and the Offeror's oral presentation. Key criteria which will be point scored include the potential contractor's management strategy and approach to achieving excellence in both world-class scientific research and development, as well as in operations and business management; key personnel, including the proposed laboratory director; experience and past performance in both science and business management; the Offeror's strategy for fulfilling DOE's mission for the laboratory; the Offeror's involvement/resources, including the value added by the corporate parents; and the

Offeror's proposed transition plan. (Refer to Section M and Section L, Provisions L.2-L.8).

The Government will evaluate cost proposals for reasonableness and realism and will consider transition period costs and the Key Personnel's annual compensation costs for the first year. A contract will be awarded to the responsible Offeror whose proposal represents the best value to the Government. (Refer to Sections M.9 and M.10).

Sincerely,

A handwritten signature in dark ink, appearing to read "Patricia J. Schuneman", is written over the printed name. The signature is fluid and cursive.

Patricia J. Schuneman, Chairman
Source Evaluation Board

Enclosures:

1. RFP DE-AC02-07CH11358
2. Pre-Registration for Comment Workshop Form
3. One-on-One Exchanges Form